RAJYA SABHA

Friday, the 6th May, 2005/16 *Vaisakha,* 1927 *(Saka)*

The House met at eleven of the clock,

MR. CHAIRMAN *in the Chair.*

ORAL ANSWERS TO QUESTIONS

HAIRMAN: Question Hour.

The questioner (Shri C. Perumal) was absent. For answer *vide* nfra]

[The Questioner (Shrimati Maya Singh) was absent. For answer 34 infra]

Fall-out of globalisation and WTO Policies

SHRI JESUDASU SEELAM:
)R. T. SUBBARAMI REDDY:††

Minister of AGRICULTURE be pleased to state:

ether Agriculture Ministry officials and experts from six South ntries met in Hyderabad during March, 2005 to discuss the fall- balisation and WTO policies on agricultural sector and rural in the region;

, whether a wide range of issues including impact of globalisation ecurity, scenario of liberalization of agricultural sector and ent of agro-processing industry were discussed in the meeting;

, the main decisions arrived at; and

details of outcome of discussions and whether all the countries attended will jointly make efforts to get them approved in WTO?

INISTER OF AGRICULTURE (SHRI SHARAD PAWAR): (a) to ment is laid on the Table of the House.

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ion was actually asked on the floor of the House by Dr. T. Subbarami Reddy.

Statement

(a) to (d) During 23rd—25th March, 2005. The Centre for Economic and Social Studies (CESS), an autonomous institution, organized a South Asia Regional Conference on the subject, "Globalization of Agriculture in South Asia: Has it Made a Difference to Rural Livelihoods?". As part of this conference on 25th March, 2005, a Round Table meeting of Agriculture Ministers/key policy makers of South Asian Countries was organized on, "Prospects for South Asia Free Trade and Cooperation in Agriculture Sector". Representatives from India, Bhutan, Sri Lanka, Nepal and Pakistan participated in the round table meeting.

The aforementioned meeting was not an official inter-Governmental meeting. A wide range of issues pertaining to the agriculture sector were discussed.

The major recommendations were:

(i) Public investment should be increased in agriculture sector.

(ii) A South Asia Free Trade Regional Block (SAFTRB) should be formed for the select agricultural commodities where both importer and exporter have comparative advantage.

(iii) The farm products where the current applied duty in SAARC region is already equal to its WTO bound rate, may be protected.

(iv) The interest of small farmers in the globalised environment may be protected.

(v) The SAARC countries need to take a proactive stand in WTO by asking for reduction of subsidies and increasing market access for these countries.

(vi) Infrastructure development in rural areas, diversification of agriculture towards high value added products, development of institutions especially in insurance, futures trading and contract farming, regulation of retail markets and development of sanitary and phyto-sanitary standards.

The issues relevant to the WTO have been taken up in the on-going negotiations.

DR. T. SUBBARAMI REDDY: Sir, agriculture growth in India between 1986 and 1995 was 3.2 per cent, but suddenly between 1996 and 2003,—

in seven years—it came down to 1.5 per cent. There has been an adverse impact on agriculture sector and rural livelihood. I would like to know from the hon. Minister how it has gone down so considerably, and what the Minister, the Government, is planning to increase it to make a comeback to 3.2 per cent or more.

SHRI SHARAD PAWAR: Sir, there are a number of reasons, but, in fact, the overall position is not that bad. If you study the provisions that were exactly made in the last 5-7 years, you will find that the total budgetary provision to this entire sector was below 2 per cent—it was between 1.30 and 1.45 at the maximum. It has definitely affected.

Secondly, the public investment in agriculture sector was day-by-day decreasing. Take the case of irrigation sector. In this Budget, there has been a substantial improvement. Prior to this, in the last three years, the total provision for irrigation sector was less than 0.35 per cent, not even one per cent and not even half per cent. It was somewhat nearly 0.35 per cent, and that has definitely affected it. I would like to take the entire House into confidence that till last year, or the year before the last year, the budgetary provision for drought was much more than the budgetary provision for irrigation and ultimately that has affected, but corrective action has been taken. For instance, last year, the budgetary provision for irrigation was somewhat near to Rs. 2,200 crores, and this year it has jumped to Rs. 4,000 crores. डबल से भी ज्यादा हो गयी। A substantial improvement in there. The total provision for irrigation has been improved from Rs. 2,400 crores to somewhat near to Rs. 4,000 crores. That is a definite improvement. These types of corrective actions are definitely taken, and along with this, a substantial improvement is also made this year in the area of agriculture credit. As I have already disclosed this information to the House, till last year, the total money which was disbursed for agricultural credit was somewhat near to Rs. 80,000 crores. This year, we have crossed Rs. 1,15,000 crores. This type of jump in difinitely there, and it will continue. It will take 2-3 years to make an overall improvement, and I am confident that the UPA Government's total approach is to give a lot of weightage and importance to the agriculture sector, and these types of corrective actions will be taken.

DR. T. SUBBARAMI REDDY: Sir, the hon. Minister in his reply has said that during 23rd-25th March, 2005, the Centre for Economic and Social Studies, an autonomous institution, organised the South Asian Countries' Agriculture Ministers Meeting. It was not an official meeting. I would like to know from the hon. Minister—though it was not an official

meeting, the Minister participated in it—what is the outcome of this, whether he is going to get any benefit from that, and whether he is going to take any more plans to improve our policy regarding the WTO.

SHRI SHARAD PAWAR: Initially, when we got a request from this particular organisation, there was a communication that Agriculture Ministers from Bhutan, Sri Lanka, Nepal and Pakistan are also going to participate. So, I accepted that invitation. To be very frank, Ministers only from Bhutan and India participated, but other countries sent in their representatives and the recommendations which are already given in the reply, were practically the conclusion of that conference. We thought if the neighbouring countries are seriously thinking about these WTO problems, we should associate themselves with them, and, if we, ultimately, agree to take a collective stand on these WTO problems, that will definitely strengthen India's position. We will be able to protect the interests of the Indian farming community. That is the reason why we have not taken a final view on these recommendations.

SHRI A. VIJAYARAGHAVAN: Sir, with regard to the expansion of agriculture, nowadays, the food processing is very important and in advanced countries, they are sending the processed food at highly competitive prices. But in India, we are facing a problem because the cost of the processed food is very high. So, naturally, we need support from the Government to ensure a competitive price of the processed food which would be more helpful to the farmers. What are the steps taken by the Government in this regard?

SHRI SHARAD PAWAR: This is one of the areas where we have to take a lot of interest and we have to give a lot of support. As I have disclosed this information on some other occasion in the House, one of the major problems which the Indian agriculture faces is post-harvesting losses. Unless and until, we improve this infrastructure, unless and until, we set up and encourage the agro-processed industries thoughout India, we will not be able to reduce these post-harvesting losses. As I have already given the figures, the last year's total post-harvesting loss in this counry was somewhat Rs. 50.000 crores. India is one of the countries, to be frank, which have neglected it. Even small countries like Philippines and Thailand are also doing much better than us. These are the countries which are practically processing more than 60 to 70 per cent of their agricultural produce; as against in India, we have not reached even two per cent. That is why, this Ministry is taking a lot of interest and a lot of initiatives are being taken up.

SHRI A. VIJAYARAGHAVAN: Is there any comprehensive programme?

SHRI SHARAD PAWAR: In fact, that particular subject is dealt by my colleage; and if you give a separate notice, we will be able to give the detailed information.

PROF. SAIF-UD-DIN SOZ: Mr. Chairman, Sir, WTO has created a situation of very ruthless competition and Indian farmers have to accept that competition and face it. But the Government of India has to help them, not only through subsidies, but also through reasonable advice. I submit, through you, Sir, that Kashmir horticulture is in.....

सभापतिः देखिए... (व्यवधान)... एक मिनट, सुन लीजिए...(व्यवधान)...एक मिनट ...(व्यवधान)...एम मिनट, मेरी बात सुन लीजिए...(व्यवधान)...आप क्वैश्चन कर लीजिए। इस पर कई माननीय सदस्य क्वेश्चन पूछेंगे।...(व्यवधान)...

PROF. SAIF-UD-DIN SOZ: No, no, Sir, Kashmir apple is special situation. Through export, it can earn a lot of money for us....

श्री सभापतिः वह सब ठीक है। आपका क्वैश्चंन क्या है?

PROF. SAIF-UD-DIN SOZ: Sir, I raise a question because there is a market intervention scheme whereby you purchase apple at Rs. 3 per kilogram in Kashmir and they send 'C' grade apple to Delhi and other markets. I would request the hon. Minister to consider it and increase it to Rs.5 per kilogram so that, 'C' grade apple is retained in Kashmir for juice production and the good quality apples will be exported to South Asian and other countries, and we shall earn a lot of foreign exchange.

SHRI SHARAD PAWAR: I will not be able to tell exactly what price we are going to accept today, but definitely, we are paying attenion. We are using and protecting the interests of the apple producers in Himachal Pradesh and Jammu and Kashmir area. There is a market intervention scheme. For a number of years, we have executed this scheme. But to be frank, instead of concentrating on export of fresh fruits, we have to give priority to processed fruits and processing unis.

SHRI RAVULA CHANDRA SEKAR REDDY: Sir, this Round Table Conference was held in Hyderabad during 23rd to 25th March this year. Sir, I would like to draw the attention of the hon. Minister, having participated in this Round Table Conference and having passed the recommendations, to the recommendation numbers (i) and (iv), wherein the public investment should be increased in agriculture sector and the other one is, interest of

small farmers in the globalised environment should be protected. what is the opinion of the Government? What action has been taken by the Government after this Resolution?

SHRI SHARAD PAWAR: In fact, we fully support both the recommendations, and that is the reason why, I have already disclosed this information that we have taken corrective actions. We have started to take corrective actions. It is not possible to take actions within one year. But that process has been started.

SHRI V. NARAYANASAMY: Mr. Chairman, Sir, the hon. Minister has mentioned in recommendation No. (v) that the SAARC countries need to take a proactive stand in WTO by asking for reduction of subsidies and increasing market access for these countries. As far as the United States of America and the European countries are concerned, the farmers are getting fertilizer subsidy. They are getting remunerative prices for marketing their products. But those countries are pressurising in the WTO that India should not continue with the fertilizer subsidy and increase their remunerative prices. Therefore, I would like to know from the hon. Minister whether the Government is trying to reduce the fertilizer subsidy for the farmers in a phased manner. You see, the fertilizer subsidy is a very important component for the farming community in the country. Therefore, I would like to know from the hon. Minister whether you are going to pressurise other countries not to continue with the higher subsidy, which they are giving to their farmers. India should not succumb to their pressure.

SHRI SHARAD PAWAR: You see, that approach is definitely taken by the Government of India. Over the last three years, there is no change in the fertilizer prices, and whatever subsidies we are giving, in fact, we are taking additional responsibility in that respect, and at least, till today, there is no change in the policy.

SHRI JAIRAM RAMESH: Sir, this question deals with the fall-out of the WTO policies on Indian agriculture, and therefore, my question will deal only with that question. Sir, I would ask the hon. Minister whether in his experience, there are specific instances where the WTO Agreements have worked to the detriment of Indian agriculture or whether domestic policies have contributed to our agricultural stagnation much more than the WTO policies. But the general perception in India is that the ills of Indian agriculture are because of the WTO Agreement. So, I would like to know about his assessment, as a very experienced Minister and agriculturist himself, what is his perception of the impact of the WTO Agreement on Indian agriculture?

SHRI SHARAD PAWAR: Sir, there are some problems. But it is not fully correct that the WTO Agreement is responsible for this. In fact, there are so many other factors responsible for this. Lack of enough infrastructure is one of the reasons, non-availability of agro-processing units is another reason. We have to give a serious thought to the entire issue, keeping in mind the fact that, India is also becoming day-by-day a major exporter. India is one of the largest producers in many areas like, wheat, rice, milk, horticulture products, and therefore, we do need the support from international market, global market, and that is why, if we are ultimately going to take a negative stand in these areas, probably what are we going to do with our own surplus production? That is why, our efforts should be definitely proactive, positive, and we have taken a number of steps in that direction.

SHRI SANTOSH BAGRODIA: Sir, I have a small question, based on recommendation No. (iv), which says: "The interest of small farmers in globalised environment may be protected." I would like to know what our Government is doing to look after the interest of small farmers in the present situation.

SHRI SHARAD PAWAR: Sir, there are a number of schemes, In fact, this is one of the recommendations. But we have introduced many schemes to protect the interest of the small farmers in different areas. If the hon. Member gives a separate notice, I will give details.

SHRI SANTOSH BAGRODIA: Sir, this is a part of the question.

SHRI SHARAD PAWAR: This is the recommendations.

SHRI SANTOSH BAGRODIA: This is a part of the reply.

श्रीमती सरला माहेश्वरी: सभापति महोदय, मैं माननीय मंत्री जी से यह जानना चाहती हूं कि क्या यह सच नहीं है कि विश्व वाणिज्य संघ के तत्वावधान में वैश्वीकरण और ढांचागत समायोजन की नीतियों के चलते सबसे बुरी तरह प्रभावित होने वाला हमारा कृषि क्षेत्र रहा है और इस कृषि क्षेत्र में भी सबसे बुरी तरह प्रभावित हुए हैं हमारे छोटे किसान? मैं माननीय मंत्री जी से यह जानना चाहती हूं कि क्या उन्होंने इसका अध्ययन किया है कि इस काल में हमारे कितने छोटे किसान अपनी जमीन को गंवा कर खेत-मजदूर बनने को बाध्य हुए हैं? इसी से जुड़ा हुआ मेरे सवाल का दूसरा भाग यह है कि इसका एक बुरा प्रभाव हमारी महिलाओं पर पड़ा है, वे महिलाएं जो ग्रामीण अर्थव्यवस्था में अपने परिवार को चला रही हैं। 30 प्रतिशत महिलाएं हैं जो ग्रामीण क्षेत्रों में पूरी तरह से अपनी घरेलू अर्थव्यवस्था को संभाले हुए हैं। इन महिलाओं के जमीन के अधिकार को सुरक्षित करने के लिए क्या आप उनको जमीन का संयुक्त पट्टा देने के लिए कोई तैयारी कर रहे हैं? किन-किन राज्यों में यह हुआ है, आपकी तरफ से क्या सर्वे किया गया है?

श्री शरद पवार: जहां तक एक्सपोर्ट की बात है, मैं बताना चाहता हूं कि एक्सपोर्ट के क्षेत्र में बढ़ोतरी हो रही है। अगर पिछले तीन-चार सालों का एग्रीकल्चर एक्सपोर्ट देखेंगे तो आप पाएंगे कि 2001-02 में एग्रीकल्चर एक्सपोर्ट 29,000 करोड़ का था, 2002-03 में 34,000 करोड़ हो गया और 2003-04 में यह एक्सपोर्ट 36,893 हजार करोड़ का हो गया। तो एक्सपोर्ट में वृद्धि हो रही है और जब हमारा प्राड्यूस दुनिया की मार्किट में जाता है तो यहां के प्राइस लैवल में भी इम्प्रूवमेंट होती है और इसका फायदा अल्टीमेटली किसानों को होता है। पॉलिसी का टोटल असर इस पर हो गया है और इसलिए किसान अपनी खेती छोड़कर दूसरे क्षेत्र में गए, यह कहना मुझे लगता है थोड़ा ठीक नहीं होगा। दूसरी कई समस्याएं हैं पानी की समस्या है, ड्राउट की समस्या है, कुछ एरिया में डिस्ट्रैस सेल करने की एक परिस्थिति पैदा होती है, इसकी समस्या है, एग्रीकल्चर क्रेडिट ठीक तरह से पहुंचता नहीं, प्राइवेट मनी-लेंडर के पास जाना पड़ता है और ज्यादा रेट पर पैसा लेना पड़ता है, यह समस्या है। ऐसी समस्याएं हैं जिनका असर किसानों पर जरूर हुआ है कई स्टेट्स में, इन पर करेक्टिव मेज़र्स लेने की तैयारी सरकार की है।

श्रीमती सरला माहेश्वरी: सर, ...(व्यवधान)...

श्री सभापति: नहीं, नहीं, अब बैठिए। बोलिए श्री सीलम।

SHRI JESUDASU SEELAM: Sir, the hon. Agriculture Minister is aware of the ...*(Interruptions)*...

श्रीमती सरला माहेश्वरी: यही तो बात है...(व्यवधान)...इतने सालों से जमीन पड़ी है।

श्री सभापति: जमीन बहुत पड़ी है, ये कहां कह रहे हैं कि नहीं पड़ी।

SHRI JESUDASU SEELAM: Sir, the hon. Minister for Agriculture is aware of the very grave situation and the distress among the aqua farmers, and that the farmers growing chillies, cotton and tobacco are just now undergoing distress in Guntur and Prakasam Districts of Andhra Pradesh. This is, specifically, relating to the development of agroprocessing industries. Sir, it is attributed that...

MR. CHAIRMAN: Come to your question.

SHRI JESUDASU SEELAM: ...the anti-dumping duty and the export duty, specially, on the aqua-cultural products is adversely affecting the farmers. What are the specific measures that the Government is undertaking to remedy the situation and to relieve the distress of the farmers keeping in view the current agitation by the aquaculture farmers and the chillies, tobacco and cotton crops growers in Guntur and Prakasam Districts?

SHRI SHARAD PAWAR: Sir, it is correct that the U.S. Government has increased the anti-dumping duty on our aquacultural products. This particular issue was raised with the Government of United States when our Minister of State for External Affairs visited Washington, and he had discussed this particular subject with his counterpart. Yesterday only, I had got a communication that the U.S. Government had decided and they had assured our Minister that they would re-examine the issue. So, we have raised this issue with the U.S. Government.

As regards the chilly procurement, in fact, last year, substantial quantity of chilly was procured, and this year also, the procurement has been started. It is true that in the last ten days, there was some problem from the North-East side, but we have discussed it with the Government of Andhra Pradesh, and we have succeeded in resolving this chilly problems. The chilly procurement has been restarted three days back in Guntur and Prakasam Districts.

Railways plan of modernisation

*604. SHRI R.K. ANAND:††
SHRI SANTOSH BAGRODIA:

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Railways have a plan of modernisation;

(b) if so, the priority thrust areas of such plan;

(c) whether Government intend to make private sector a partner in such plan;

(d) if so, in which sectors, if not, the reasons therefor; and

(e) the general terms of policy to associate private sector in the modernization Plan?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI R. VELU): (a) to (e) A Statement is laid on the Table of the Sabha.

Statement

(a) Yes, Sir.

(b) The priority thrust areas of the Integrated Railway Modernisation Plan (2005—2010) are modernisation of Passenger Business segment, Freight Business Segment and Other Modernisation Initiatives.

††The question was actually asked on the floor of the House by Shri R.K. Anand.